

**EXHIBIT G**

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF MARYLAND

-----x  
XEROX CORPORATION,

Plaintiff,

-against-

Civil Case No.  
WDQ 02 CV 1734

PHOENIX COLOR CORPORATION

and

TECHNIGRAPHIX, INC.,

Defendants.

-----x  
September 18, 2003  
9:32 A.M.

Deposition of CHARLES M. CORR, taken  
by Plaintiff, pursuant to Agreement, at the  
offices of Piper Rudnick, LLP, 1251 Avenue of the  
Americas, New York, New York 10020 before  
Anneliese R. Tursi, a Registered Professional  
Reporter and Notary Public within and for the  
State of New York.



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Tel: (212) 268-2590 • Fax: (212) 268-2596

1

C. Corr

2

C H A R L E S M. C O R R,

3

having been first duly sworn by the

4

, Notary Public (Anneliese R. Tursi),

5

having stated his business address as

6

being CAP Ventures, 600 Cordwainer

7

Drive, Norwell, Massachusetts 02061

8

was examined and testified as follows:

9

MR. FRIEDMAN: Why don't we have

10

the two reports as Corr Exhibit 1 and

11

2.

12

(Letter dated January 23, 2003 on

13

CAP Ventures letterhead with

14

attached report by Charles M.

15

Corr dated January 22, 2003

16

marked Corr Exhibit 1 for

17

identification, as of this date.)

18

19

(Letter dated September 12, 2003

20

from Robert Gaumont to Sidney

21

Friedman with attached

22

supplemental report by Charles M.

23

Corr dated September 12, 2003

24

marked Corr Exhibit 2 for

25

identification, as of this date.)

Charles Corr  
September 18, 2003

1 C. Corr  
 2 EXAMINATION BY MR. FRIEDMAN:  
 3 Q. Would you state your name please,  
 4 for the record?  
 5 A. Yes, Charles M. Corr.  
 6 Q. -Mr. Corr, by whom are you  
 7 employed?  
 8 A. CAP Ventures.  
 9 Q. In what capacity?  
 10 A. I'm a group director.  
 11 Q. Which means what? What do you  
 12 do?  
 13 A. I am responsible for managing a  
 14 number of services at CAP Ventures. We are a  
 15 consulting firm and we have a number of  
 16 different practices.  
 17 Q. We have marked as Exhibit 1 the  
 18 report of January 23, 2003, which you authored  
 19 and signed off on. Attached to that were some  
 20 bio's on you and your company.  
 21 A. Yes.  
 22 Q. Let's look at those bio's and I  
 23 will ask a few questions.  
 24 A. Sure.  
 25 Q. I take it, Exhibit A, which is

Page 5

1 C. Corr  
 2 the bio on CAP Ventures, is a fair summary of  
 3 what CAP Ventures does?  
 4 A. Yes.  
 5 MR. GAUMONT: Objection.  
 6 Q. In Exhibit A, you have a category  
 7 entitled "CAP Ventures Consulting expertise  
 8 includes the following practice areas:"  
 9 Do you see that?  
 10 A. Yes.  
 11 Q. Which of those areas relates to  
 12 the expertise that you are offering today?  
 13 MR. GAUMONT: Objection.  
 14 You can answer.  
 15 A. The first paragraph kind of  
 16 indicates, and then subsequently, one answer  
 17 is that all of our services work together in  
 18 conjunction to provide a view of markets and  
 19 we use all of our services to get an  
 20 understanding of markets.  
 21 So the primary service would be  
 22 the on-demand that is supported by others,  
 23 such as the digital peripheral and services  
 24 that look at consumable use, paper use. So at  
 25 one level, they are silos of services. On

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1 C. Corr  
 2 another level, they're complementary.  
 3 And the services that I have look  
 4 at hardware and software in both production  
 5 environments and in work group environments  
 6 like what you see here.  
 7 And we also then work with  
 8 vendors of this equivalent, the manufacturers  
 9 and distributors and using, companies like  
 10 Kinkos or Moore, who use equipment.  
 11 So in some ways, while they are  
 12 independent practices, they are complementary  
 13 in terms of developing expertise.  
 14 Q. What is your understanding as to  
 15 the area of expertise that you are testifying  
 16 to today?  
 17 A. Practices within the industry.  
 18 Q. Anything else?  
 19 A. That's fairly comprehensive.  
 20 Q. All right. So your expertise  
 21 focuses on, with regard to this lawsuit,  
 22 practices within the industry?  
 23 MR. GAUMONT: Objection.  
 24 A. Right. As both a consultant to  
 25 the industry and also having been in this

Page 7

Page 8

2 (Pages 5 to 8)

E-Mail: ClassReptg@aol.com

Charles Corr  
September 18, 2003

1 C. Corr  
2 Q. Would they be considered in the  
3 category of the 40 percent private  
4 consultation revenue?

5 A. Yes. Yes.

6 Q. Let's look at Exhibit C attached  
7 to your report.

8 Now, as I understand it from your  
9 testimony so far, the area within which you  
10 are being offered as an expert is within the  
11 print -- on-demand printing?

12 A. Yes.

13 Q. On-demand publishing and  
14 printing?

15 A. Right.

16 Q. What within your bio, Exhibit C,  
17 supports that expertise, in your opinion?

18 MR. GAUMONT: Objection.

19 A. Do you want me to talk about it  
20 or do you want to dive into it?

21 Q. Point out the areas. Let's just  
22 take the first page, page 7.

23 MR. GAUMONT: If I could note for  
24 the record, it is a three-page resume.

25 MR. FRIEDMAN: Correct. I

1 C. Corr  
2 If you think about how we are  
3 organized as a professional services firm, we  
4 have the managing director, Charlie Pesko, we  
5 have group directors, group directors have  
6 directors that report to them, consultants and  
7 research analysts and other folks report to  
8 group directors. And then I have been there  
9 since 1998.

10 Prior to being there, I have more  
11 than 25 years experience in the printing,  
12 copying, corporate field and implemented  
13 digital print technology and, indeed, helped  
14 pioneer digital print technology in the late  
15 '80s and early '90s.

16 So I know the technology, I know  
17 how to incorporate it into the business, and  
18 then I have consulting experience since 1998.

19 Q. Is it fair to say that the  
20 paragraph on page 7 that starts with the  
21 on-demand printing and publishing services,  
22 would be the paragraph which would be most  
23 specifically related to your expertise with  
24 regard to this matter?

25 MR. GAUMONT: Objection.

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Page 15

1 C. Corr  
2 understand.  
3 Q. Page 7.  
4 A. Yes.  
5 Q. On page 7, what information set  
6 forth on page 7 supports your area of  
7 expertise with regard to this lawsuit?  
8 A. As you start off, I'm the group  
9 director, I'm one of the most senior people at  
10 CAP Ventures, which makes me one of the more  
11 senior people in the industry. So I'm often  
12 consulting with senior clients.

13 I'm a public speaker at industry  
14 events on a regular occasion. And I have been  
15 doing that, as you can see, since 1998.

16 Q. And you are saying you are one of  
17 the more senior people at CAP?

18 A. Yes. I'm a group director.

19 Q. By senior, are you indicating  
20 seniority in terms of years or seniority in  
21 terms of some sort of expertise?

22 MR. GAUMONT: Objection.

23 You can answer.

24 A. In terms of expertise and  
25 responsibilities.

1 C. Corr  
2 A. Yes. In conjunction, as we have  
3 stated earlier, with the sister services.  
4 Q. Let's look at pages 8 and 9 of  
5 your report, Exhibit C.

6 Point out to me anything else  
7 that you think specifically supports your  
8 expertise with regard to your testimony in  
9 this case.

10 A. Some of what I have done, which  
11 is explained in the second paragraph,  
12 responsible for driving programs that help  
13 service providers, distributors,  
14 manufacturers, and end-users of business  
15 communications technologies and services.  
16 That I have worked, provided research and  
17 consulting services for literally every major  
18 player.

19 As I mentioned, I'm a frequent  
20 speaker.

21 Additionally, prior to joining  
22 CAP Ventures, I was responsible for operations  
23 of Harvard University Printing and  
24 Publications Services from 1984 to 1999. They  
25 were a full service graphics service provider

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Page 16

4 (Pages 13 to 16)

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<p>1                   C. Corr 2 to Harvard University and its affiliates. We 3 were essentially a cost recovery department 4 within Harvard University. When I left, it 5 had an annual sales of \$14 million. 6                   While at Harvard University, as I 7 mentioned earlier, we helped bring the market, 8 the digital print market, into the production 9 market. 10                  So if you think about the 11 transition of the industry from offset to 12 digital, this is when it happened, in the late 13 '80s, early '90s. It continues to happen. 14                  So I had a great deal of 15 experience entering into literally dozens of 16 lease and purchase agreements with Xerox and 17 other vendors during my tenure at Harvard. 18                  You know, I don't know if it -- 19 do you want me to go into the recognitions and 20 affiliations? 21                  Q. Sure. I would like to know what, 22 among those recognitions, you think supports 23 your expertise with regard to your testimony 24 in this case. 25                  MR. GAUMONT: Objection.</p>	<p>1                   C. Corr 2 efforts, identifying, you know, to a certain 3 extent, identifying applications where the 4 technology was applicable and it helped guide 5 both the marketing message and the product 6 development efforts. 7                  Profit Control Users group, 8 really, Profit is an MIS program used by 9 primarily commercial printers to help them 10 manage their business. So it really just 11 speaks to knowing a number of people in the 12 industry. 13                  The National Association of Print 14 Leadership is an industry association that I 15 have been a member of for a long -- many 16 number of years. 17                  I was a member of the National 18 Association of College and University Mail 19 Services. 20                  Quick Printers/Print Image, 21 have been a member of for a long time. 22                  Printing Industries of New 23 England, a long time. 24                  And I have been affiliated with 25 the GCIU, which is a union, since the start of</p>
<p>Page 17</p> <p>1                   C. Corr 2                  A. Okay. The first one, Printing 3 Industry of America, that talks directly to 4 the fact that the industry was changing from 5 offset printing to digital print. 6                  The Overture print-on-demand 7 printing project was a development project 8 with Xerox PARC. And the result of that is 9 today's DigiPath. And DigiPath was an effort 10 to network devices such as a DocuTech, which 11 speaks to my understanding of both the 12 technology and the practical uses of a 13 technology within a printing establishment. 14                  Then First Place Awards for most 15 creative use of digital printing and 16 reengineering, the same point, how do you use 17 this technology effectively? 18                  The affiliations, I have been on 19 Xerox University Advisory Panels. 20                  Q. What is that? 21                  A. They had established a number of 22 advisory panels to help them go to market, 23 understand requirements, provide case studies, 24 provide a sounding board for product 25 development efforts, sales and marketing</p>	<p>Page 19</p> <p>1                   C. Corr 2 my tenure at Harvard. 3                  Some of these are just general 4 industry associations of which I have been a 5 member of for a long period of time, which 6 speaks to practices and understanding the 7 industry and knowing what's going on. 8                  I think on the technology side, 9 we discussed a little of this, but we helped 10 develop the products that are really currently 11 at use in this case. 12                  We worked with Xerox PARC and 13 Harvard Business School to develop a model for 14 print-on-demand. We used this technology to 15 provide other applications such as Harvard 16 diplomas. We developed a print-on-demand 17 printing solution for Harvard Business School 18 publishing. 19                  I served as a subject matter 20 expert to Xerox to networked digital print 21 order entry, pricing and scheduling software, 22 related to that project, as well as Overture 23 and DigiPath. 24                  The FAS was it was an on-line 25 tool that enabled students and faculty staff</p>

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<p>1                   C. Corr 2 to print and distribute in an environment in 3 the way that if I was at a house and my local 4 printer went down, I could access a printer 5 next door or at the library and there was a 6 whole payment procedure that used debit cards 7 behind that. 8                   Q. Does that support your testimony 9 as an expert in this case -- 10                  MR. GAUMONT: Objection. 11                  Q. -- in your opinion? 12                  A. Only in that it speaks to taking 13 technology and incorporating it with a 14 business practice. 15                  I have expertise on both sides of 16 that, which is kind of neat to do, but it also 17 had a component that was a business component. 18                  The same with the last, pricing, 19 estimating, order entry. 20                  And before I was at Harvard, I 21 was at Wellesley College, a smaller college, 22 but essentially performing the same duties 23 earlier in time. We had offset presses and 24 what are now Xerox DigiPath. 25                  The other relevant, I have taught</p>	<p>1                   C. Corr 2 annual basis is we forecast the market by unit 3 so it is important for us to understand, for 4 instance, what is the market for a specific 5 piece of device in a given year, what is its 6 placement activity in the past, what is its 7 activity level, how much in pages is it 8 producing, what is the retail value of those 9 pages. That's the basis of our ongoing 10 consulting service is that type of 11 information. So you have to be, on one level, 12 you have to be constantly following the 13 market. 14                  On the other level, you have to 15 be advising clients on both the seller side 16 and the buyer side on market dynamics and 17 opportunities and then on the final areas, 18 that I bought and sold a number of pieces of 19 equipment while I was at Harvard. 20                  Q. Is there anything in your 21 background and in your listing of 22 accomplishments that focuses on the secondary 23 equipment market -- 24                  MR. GAUMONT: Objection. 25                  Q. -- specifically?</p>
<p>Page 21</p>	<p>Page 23</p>

1                   C. Corr  
2 classes at Northeastern University on buying  
3 print services, selecting and purchasing  
4 paper, managing print production, which would  
5 be the most relevant.  
6                  Q. Among all the qualifications that  
7 you just mentioned as relating to the area of  
8 expertise that you are offering in this  
9 lawsuit, is there anything in there which  
10 indicates an expertise in evaluating equipment  
11 in the secondary market?  
12                  MR. GAUMONT: Objection.  
13                  A. Having been in the industry, I  
14 have sold equipment into the secondary market.  
15 I have purchased equipment in the secondary  
16 market. I have consulted with clients who  
17 were considering buying equipment or selling  
18 equipment into the secondary market.  
19                  And it is critically important  
20 for us as a company to understand the dynamics  
21 of these markets which is related to -- if you  
22 think about a top line, we have got to  
23 understand the dynamics of the costs in the  
24 marketplace, the marketplace dynamics.  
25                  One of the things we do on an

1                   C. Corr  
2                  A. Only insofar as I have explained  
3 that I have bought and sold, I have advised  
4 clients on buying and selling. We track that  
5 market as it impacts the overall opportunity  
6 for placements of new equipment.  
7                  Q. So you do track something in the  
8 secondary market, is that what you are saying?  
9                  A. Yes.  
10                 Q. Do you have forecasts for the  
11 secondary market equipment?  
12                 A. What we have, we have  
13 forecasts -- for instance, our overall  
14 forecasts look at two primary things:  
15                  Placements of new equipment,  
16 right, now, we also have to keep track of the  
17 total install base of equipment, which  
18 generates, uses paper, it generates income to  
19 companies like Xerox and others in terms of  
20 service and supply revenue.  
21                  So not only do you get money from  
22 selling equipment, you get money from the  
23 aftermarket and, indeed, you generally get,  
24 you know, that is an important part of your  
25 business, and it produces retail value, which

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Page 24

6 (Pages 21 to 24)

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1                   C. Corr  
 2 is critically important to the service  
 3 providers.  
 4                   We have to track two things: How  
 5 many new units go into the market and how many  
 6 units remain in the market. And as part of  
 7 the remain in the market, it is how many are  
 8 put back into circulation.

9                   By that, I mean, which is part of  
 10 the secondary market, something comes up on a  
 11 lease, it was sold as new, let's track sort of  
 12 a device, sold as new, right, at the end,  
 13 let's say, of the lease term, it doesn't leave  
 14 the market.

15                  It may leave a particular  
 16 location, but we need to understand what's  
 17 happened to that asset in the install base for  
 18 two reasons: What is it generating in terms  
 19 of pages and the subsequent revenue, and then  
 20 the other is what impact does the secondary  
 21 market have on the primary opportunities  
 22 selling new equipment replacements.

23                  Q. Do you have any publication which  
 24 specifically focuses on the sales, buying and  
 25 selling in the secondary market, used

Page 25

7

1                   C. Corr  
 2 equipment?  
 3                  MR. GAUMONT: Objection.  
 4                  A. We have no specific publication  
 5 that does that. It is covered in our annual  
 6 market forecasts, which is a couple of  
 7 hundred-page document.  
 8                  Q. I take it, therefore, that you  
 9 have no specific publications which focuses on  
 10 the buying and selling in the secondary market  
 11 of the Xerox 6180s?

12                  MR. GAUMONT: Objection.  
 13                  A. If you are asking if there is a  
 14 specific publication?

15                  Q. Yes.  
 16                  A. There is no specific publication  
 17 titled that it is covered in our methodology  
 18 and in our annual publications, particularly  
 19 the on-demand market forecasts.

20                  Q. Is there anything in there that  
 21 specifically focuses on the buying and selling  
 22 of Xerox 6180s?

23                  MR. GAUMONT: Objection. Asked  
 24 and answered.  
 25                  A. Yes.

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28

7 (Pages 25 to 28)

Charles Corr  
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1 C. Corr  
2 president?  
3 A. He had an obligation to inform  
4 anyone I was doing business with as to what  
5 his role was.  
6 Q. Thank you. All right.  
7 Now, you have indicated that  
8 there was some duty on the part of Xerox to  
9 have made an inquiry to understand who they  
10 were dealing with --  
11 A. Yes.  
12 Q. -- with regard to the execution  
13 of these contracts.  
14 Are you assuming that Xerox made  
15 no inquiry?  
16 A. I'm --  
17 Q. Are you aware of any inquiries  
18 that Xerox made?  
19 A. Am I aware of any inquiries to  
20 Mr. Tyler, or in general?  
21 Q. Yes, or to Phoenix Color or  
22 TechniGraphix regarding the position, what Mr.  
23 Tyler's position was.  
24 A. What Mr. Tyler's position was?  
25 Q. Yes.

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1 C. Corr  
2 A. I -- my sense -- I don't know,  
3 obviously. Obviously, I wasn't -- were there  
4 any conversations? I have no knowledge of any  
5 conversations.  
6 Q. So you were not advised of  
7 information that was provided to Xerox when  
8 Phoenix Color purchased the stock of  
9 TechniGraphix in February of the year 1999?  
10 A. Right.  
11 Q. Were you aware that Phoenix  
12 Color -- well, you were aware because you  
13 reviewed that document?  
14 A. Yes, I was aware of it.  
15 Q. You understood from reviewing the  
16 documents, that Phoenix Color purchased the  
17 stock of TechniGraphix, correct?  
18 A. And that TechniGraphix was a  
19 wholly owned subsidiary.  
20 Q. What does it mean to be a wholly  
21 owned subsidiary?  
22 A. What does it mean to me to be a  
23 wholly owned subsidiary?  
24 Q. Yes, to you.  
25 A. That it is held as a separate

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24 (Pages 93 to 96)

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1 C. Corr  
2 legal entity and that, generally, there was  
3 some separation between those entities from a  
4 legal perspective.  
5 Q. Is that always the case?  
6 A. Is it always the case?  
7 Q. Yes.  
8 A. It would depend how the deal was  
9 structured. I would say it was generally the  
10 case, otherwise --  
11 Q. It would depend -- I'm sorry, go  
12 ahead. Otherwise?  
13 A. Otherwise, you wouldn't have  
14 handled it in that manner.  
15 Q. A wholly owned subsidiary can be  
16 a part of the acquiring corporation --  
17 MR. GAUMONT: Objection.  
18 Q. -- is that correct?  
19 MR. GAUMONT: Asking for a legal  
20 conclusion.  
21 A. It is certainly not my experience  
22 that that would be the case. If you  
23 established it that way, my experience would  
24 indicate there was a reason for it.  
25 Q. Would somebody, in order to

1 C. Corr  
2 in relying upon information conveyed to him by  
3 the officers of those corporations --  
4 MR. GAUMONT: Objection.  
5 Q. -- as to the status?  
6 MR. GAUMONT: Objection.  
7 A. My advice would be that you do  
8 your own due diligence.  
9 Q. How would you do that?  
10 A. Dun & Bradstreet reports, website  
11 reports. There are numerous ways that one can  
12 obtain who is who and what's what.  
13 Q. Is Dun & Bradstreet always an  
14 up-to-date report, in your experience?  
15 MR. GAUMONT: Objection.  
16 A. One can obtain accurate  
17 up-to-date information from Dun & Bradstreet.  
18 Q. Was it a fact that Dun &  
19 Bradstreet gets the information from the  
20 corporate officers of those companies they are  
21 reporting?  
22 MR. GAUMONT: Objection.  
23 A. Not always.  
24 Q. They speak to the corporate  
25 officers and ask them and make inquiries in

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Page 99

1 C. Corr  
2 determine what the actual status was, would  
3 you need to obtain the -- a copy of the  
4 purchasing agreement?  
5 MR. GAUMONT: Objection. It  
6 calls for a legal conclusion.  
7 Q. You may answer.  
8 A. I mean, for -- for a legal  
9 certainty, yes, I would agree with you.  
10 Q. Yes?  
11 A. For business practice.  
12 Q. More into -- yes, business  
13 practice?  
14 A. I would -- it is not at all  
15 uncommon, when we look at businesses and  
16 evaluate businesses, you look at the parent  
17 company, you look at the subsidiaries and you  
18 try and understand what the relationship is  
19 between parents and subsidiaries.  
20 Q. As a salesman going in to  
21 approach a company involved in a situation  
22 where, in this case, Phoenix Color purchased  
23 TechniGraphix --  
24 A. Right.  
25 Q. -- would a salesman be justified

1 C. Corr  
2 order to prepare their report?  
3 A. Generally.  
4 MR. GAUMONT: Objection.  
5 Foundation.  
6 Q. Isn't that what a salesman would  
7 do, speak to the corporate officers; isn't  
8 that a normal business practice?  
9 MR. GAUMONT: Objection. Asked  
10 and answered.  
11 Q. You may answer.  
12 A. Yes.  
13 Q. In March of 1999, shortly after  
14 the purchase of TechniGraphix by Phoenix  
15 Color, Patricia Elizondo of Xerox, who was  
16 vice president Maryland, Virginia sales CBU at  
17 that time, which would be the area involved  
18 covering TechniGraphix and Phoenix Color, had  
19 a conversation with Jack Tiner concerning the  
20 purchase of TechniGraphix by Phoenix Color.  
21 Do you know who Jack Tiner was?  
22 A. Yes.  
23 Q. Who was he?  
24 A. The principal at TechniGraphix.  
25 Q. By the principal, you mean the

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25 (Pages 97 to 100)

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1 C. Corr  
 2 man in charge --  
 3 A. Yes.  
 4 Q. -- or the equivalent of a  
 5 president?  
 6 MR. GAUMONT: Objection.  
 7 A. I don't recall his title.  
 8 Q. I don't either, but the man in  
 9 charge?  
 10 MR. GAUMONT: Objection.  
 11 A. For lack of a better  
 12 characterization, I will agree to that.  
 13 Q. Ms. Elizondo testified at her  
 14 deposition that Mr. Tiner phoned her at that  
 15 time to advise that Phoenix Color had  
 16 purchased TechniGraphix stock, that the  
 17 business was sold to Phoenix Color, and that  
 18 any future business would have to go through  
 19 Phoenix Color Corporation. That's fact one, I  
 20 want you to think about.  
 21 Were you advised of that?  
 22 MR. WELLSCHLAGER: Can I hear  
 23 that fact one?  
 24 (Record read.)  
 25 Q. Were you advised about that?

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1 C. Corr  
 2 at Xerox in their sales department below her,  
 3 maybe also Mr. Nussbaum, but she is not sure.  
 4 MR. GAUMONT: Objection.  
 5 Q. She testified at her deposition,  
 6 pages 35, 36 as follows:  
 7 "Mr. Jack Tiner introduced Mr.  
 8 Tyler at this meeting as, quote, our  
 9 decision-maker, end quote, and further  
 10 as, quote, one who would be making all  
 11 operational decisions, end quote."  
 12 A. Yes.  
 13 Q. That's fact two.  
 14 A. Yes.  
 15 MR. GAUMONT: Mr. Friedman, since  
 16 you didn't bring the deposition, can I  
 17 ask, is that the meeting that occurred  
 18 at the TechniGraphix plant in Sterling,  
 19 Virginia?  
 20 MR. FRIEDMAN: I presume, yes.  
 21 MR. GAUMONT: Okay.  
 22 Q. Also, at that meeting in March of  
 23 1999 --  
 24 A. The one that you referenced  
 25 previously, which is that same meeting?

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1 C. Corr  
 2 MR. GAUMONT: Let me have the  
 3 deposition. Do you have that?  
 4 MR. FRIEDMAN: No, page 35.  
 5 Q. Did you have an opportunity to  
 6 review Ms. Elizondo's deposition?  
 7 You are shaking your head yes?  
 8 A. Yes.  
 9 Q. So you have read it?  
 10 A. Yes.  
 11 Q. You may go back and consult with  
 12 it afterwards, but for purposes of this  
 13 question, let's assume that I characterized  
 14 her testimony, which is contained on page 35,  
 15 and I'm happy for you to go back and check it,  
 16 that's what she said about a conversation that  
 17 she had with Mr. Tiner shortly after the  
 18 purchase of TechniGraphix by Phoenix Color.  
 19 Fact two, also at pages 35, 36 of  
 20 Ms. Elizondo's deposition, Ms. Elizondo  
 21 testified that approximately a month later,  
 22 she had an in-person meeting with Mr. Tiner  
 23 and Mr. Tyler.  
 24 She believes also present with  
 25 her were a gentleman by the name of Ed Buxcon

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1 C. Corr  
 2 Q. Yes.  
 3 A. That would have been a month  
 4 after, right?  
 5 Q. I'm sorry, yes, a month -- well,  
 6 it is in March, it is a month after the  
 7 purchase.  
 8 A. Okay. I just wanted to make  
 9 sure.  
 10 Q. The statements that Mr. Tyler --  
 11 excuse me, the statements of Mr. Tiner, Jack  
 12 Tiner, made regarding the status of Mr. Tyler  
 13 were made in the presence of Mr. Tyler. Those  
 14 comments that Mr. Tiner made and I will repeat  
 15 them --  
 16 A. We are with Mr. Tyler and Mr.  
 17 Tiner in the same room, is that what you are  
 18 saying?  
 19 Q. That's correct. It would be no  
 20 difference than all of them sitting around  
 21 this table having a meeting. It may have been  
 22 at the table. It may have been in a lunch.  
 23 A. It certainly wasn't in Don's  
 24 office.  
 25 Q. Right. At that meeting, assume

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26 (Pages 101 to 104)

Charles Corr  
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1 C. Corr  
2 an additional fact, that Mr. Tyler confirmed  
3 that he was the decision-maker and the person  
4 making operational decisions, that's what Ms.  
5 Elizondo testified in her deposition at page  
6 37.

7 MR. GAUMONT: Objection.

8 A. Yes.

9 Q. Mr. Tyler, at that same meeting  
10 where all these people were present, gave out  
11 his business card, which was a Phoenix Color  
12 Corporation business card to Ms. Elizondo and  
13 to Mr. Armando Garcia.

14 A. Yes.

15 Q. It was Mr. Armando Garcia who  
16 remembers receiving it.

17 Have you seen his business card,  
18 by the way?

19 A. I have, I remember reading the  
20 deposition about this. I don't recall seeing  
21 his business card.

22 Q. I will show it to you in a  
23 second. I didn't bring his card. It is too  
24 valuable.

25 MR. GAUMONT: It is your entire

1 C. Corr  
2 give out that business card to other people at  
3 the meeting, which would stand to reason. She  
4 said everybody exchanged business cards.

5 Ms. Elizondo has also testified  
6 at her deposition on page 39 that Mr. Tyler,  
7 Donald Tyler, never said during that meeting  
8 that he was an employee of TechniGraphix.

9 Those are the facts that I want  
10 you to keep in mind.

11 In addition to that, there has  
12 been deposition testimony provided by Armando  
13 Garcia, another Xerox employee, who said that  
14 he was at a meeting with Mr. Tyler, Donald  
15 Tyler -- now, I'm not clear and I don't want  
16 to misrepresent, I will tell you I'm not clear  
17 whether he was at this March meeting which we  
18 just described with Ms. Elizondo or some other  
19 meeting, but he was at a meeting at which Mr.  
20 Tyler gave out this business card, which we  
21 marked as Exhibit 4.

22 And I will tell you it was Mr.  
23 Garcia who retained it because he has a habit  
24 of keeping all business cards.

25 Mr. Garcia also testified at his

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1 C. Corr  
2 case.

3 MR. FRIEDMAN: It is a good  
4 piece. Let's have that marked, his  
5 business card as exhibit next.

6 (Copy of business card of Donald  
7 Tyler marked Corr Exhibit 4 for  
8 identification, as of this date.)

9 Q. Let me show you what's been  
10 marked as Exhibit 4. It is the business card  
11 that Mr. Don Tyler -- I get the names mixed  
12 up.

13 A. Yes, they are too close.

14 Q. Why don't you read that for us,  
15 what does it say?

16 A. Phoenix Color Corporation, Donald  
17 Tyler, Vice President Quality Service  
18 Management, Extension 4516, and then it has  
19 the address of the Hagerstown location.

20 Do you want me to read that?

21 Q. No.

22 A. And it looks like his e-mail  
23 address as well, his phone number and his fax.

24 Q. Ms. Elizondo has testified at her  
25 deposition, page 71, that she saw Mr. Tyler

1 C. Corr  
2 deposition, page 31, that he understood Don  
3 Tyler was a Phoenix Color employee, that he  
4 presented himself as such, that he was the  
5 person who was integrating Tech into PCC,  
6 Phoenix Color Corporation, and he visited Mr.  
7 Tyler at his office, business office in  
8 Hagerstown, Maryland.

9 Now, based upon the facts which I  
10 just presented to you, did Xerox conduct --  
11 strike that -- was Xerox justified in relying  
12 upon Mr. Tyler's representation that he was a  
13 vice president of Phoenix Color Corporation?

14 MR. GAUMONT: I have a number of  
15 objections.

16 First, I object to the fact you  
17 are recounting deposition testimony we  
18 don't have in front of us because I  
19 think you do mischaracterize it.

20 Second, I object to the hearsay  
21 statements that Ms. Elizondo said that  
22 Mr. Tiner said because, as you know, we  
23 have no opportunity to cross-examine  
24 Mr. Tiner.

25 My recollection of those

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27 (Pages 105 to 108)

Charles Corr  
September 18, 2003

1 C. Corr  
2 depositions is that neither Ms.  
3 Elizondo nor Mr. Garcia had any  
4 personal knowledge of any discussions  
5 with Tyler concerning what he  
6 represented and I think the deposition  
7 does reflect that.

8 In addition, both of them were  
9 very unclear as to where and when this  
10 business card was allegedly given to  
11 them, particularly Ms. Elizondo, I  
12 remember, was unsure as to when this  
13 business card was given to her.

14 So with those objections in mind,  
15 I don't have a problem with the witness  
16 trying to answer this hypothetical.

17 Q. I just want you to assume the  
18 facts that I gave you as being within the  
19 realm of information that was provided to  
20 Xerox employees in the time frame of March  
21 1999 --

22 A. Yes.

23 Q. -- when making a determination as  
24 to whether or not Mr. Tyler was the  
25 appropriate person to deal with and what his

1 C. Corr  
2 MR. GAUMONT: Objection.  
3 Q. Would that --  
4 A. What do you mean, as introduced  
5 as?

6 MR. GAUMONT: Objection.  
7 Q. -- would that be additional  
8 corroboration for Xerox to rely upon?  
9 MR. GAUMONT: Objection.

10 Hearsay.  
11 A. Due diligence would require that  
12 you check this out. I mean, if you are going  
13 to a bank or if you even look at Xerox  
14 Corporation, the title of vice president in  
15 and of itself means relatively little.

16 And as you described, he was  
17 responsible for, I think you said operational  
18 details. As we discussed earlier, these are  
19 operation -- some of this is what I would call  
20 operational detail, here move this in, move  
21 that out.

22 So is it reasonable to assume  
23 that, for operational details, he was the  
24 go-to guy? I would imagine, yeah, I would say  
25 it was reasonable to assume that.

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Page 111

1 C. Corr  
2 status was.

3 MR. GAUMONT: Objection. That is  
4 compound. They are two entirely  
5 different questions, who to deal with  
6 as a representative of TechniGraphix is  
7 different from his status.

8 MR. FRIEDMAN: That is fine. We  
9 will take it one at a time.

10 Q. His status, first off.

11 A. I would not rely on nor would I  
12 advise any of my clients to solely rely on  
13 someone's characterization of their own  
14 authority and, you know, where they sat within  
15 an organization.

16 Q. Someone's own, you mean Mr.  
17 Tyler?

18 A. Yes. In other words, just  
19 because one may say they hold a position does  
20 not necessarily mean that they have the  
21 authority that you may wish them to have to  
22 execute an agreement. In other words --

23 Q. If it is corroborated by a Mr.  
24 Jack Tiner, who introduced Mr. Tyler to the  
25 Xerox people, would that --

1 C. Corr  
2 As to his decision-making  
3 authority, that, I think, you know, would  
4 require a little more diligence than just the  
5 fact that a couple of people, you know, handed  
6 out a card that, frankly, says -- doesn't  
7 speak to this particular assignment, so which  
8 would lead me to believe it might be, people's  
9 titles and responsibilities change regularly.

10 I often have cards that people  
11 hand me and say I haven't had a chance to  
12 change it, here is my last card. They don't  
13 often reflect current state.

14 Q. Wouldn't it have been appropriate  
15 for Mr. Tyler if, in fact, that was not -- not  
16 his current state, what is reflected on the  
17 business card marked as Exhibit 4, to have  
18 made that statement?

19 MR. GAUMONT: Objection.

20 A. I don't know that he didn't.

21 Q. Well, would it have been  
22 appropriate -- would it have been appropriate  
23 for Mr. Tyler at some point subsequent to  
24 March 1999 to have obtained the business card  
25 which indicated his actual status with

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28 (Pages 109 to 112)

Charles Corr  
September 18, 2003

1 C. Corr  
2 TechniGraphix as opposed to Phoenix Color?  
3 MR. GAUMONT: Objection.  
4 Q. Wouldn't it have been  
5 appropriate?  
6 A. It is my experience that people  
7 often don't have the business card with their  
8 existing job.  
9 Q. You mean they go through their  
10 entire existence within a business role  
11 without having the business card; that is your  
12 experience?  
13 A. Quite often, yes.  
14 Q. Is that a good business practice,  
15 in your opinion?  
16 MR. GAUMONT: Objection.  
17 A. I think it is reflective of many  
18 ways of today's business climate.  
19 Q. Is that a good business practice,  
20 in your opinion?  
21 MR. GAUMONT: Objection.  
22 A. I don't think it is egregious.  
23 Q. Do you do that?  
24 A. I'm sure that we have done it  
25 because we haven't caught up with changes in

1 C. Corr  
2 through Mr. Lieberman and Mr. Tyler that they  
3 never obtained or produced a business card in  
4 the name of TechniGraphix for Mr. Tyler.  
5 Are you aware of that?  
6 MR. GAUMONT: Objection. That is  
7 a mischaracterization of testimony. At  
8 the time of deposition, they were  
9 unsure whether the business card was  
10 obtained and we subsequently produced a  
11 business card to you in discovery.  
12 MR. FRIEDMAN: You produced a  
13 business card showing his -- I haven't  
14 seen it. When did you produce it?  
15 MR. GAUMONT: Months ago.  
16 MR. FRIEDMAN: What does it say?  
17 MR. GAUMONT: It says -- I did  
18 not bring it with me. I'm not  
19 testifying here. You have an  
20 obligation to review your own  
21 discovery, Sidney.  
22 MR. FRIEDMAN: Your testimony is  
23 you sent us a business card from  
24 TechniGraphix showing that there was a  
25 business card produced for him with his

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1 C. Corr  
2 our business cards.  
3 Q. Would it be appropriate for you  
4 not to have a current business card nine  
5 months later?  
6 MR. GAUMONT: Objection.  
7 A. No. But it wouldn't be unusual.  
8 Q. Would it be appropriate for you  
9 not to have a current business card six months  
10 later?  
11 A. Again, but not unusual.  
12 Q. So the answer is, yes, it would  
13 be inappropriate, but not unusual, from your  
14 experience, is that what you are telling me?  
15 A. That's what I'm telling you, yes.  
16 Q. If, in fact, you didn't have an  
17 appropriate business card, wouldn't you, as an  
18 honest business person, indicate to the  
19 individual you are handing it to, this is not  
20 my proper business card, whoops, I haven't  
21 gotten a new one made up yet?  
22 A. That's fairly common, if it is  
23 not the right card, that someone would mention  
24 that it was not current.  
25 Q. TechniGraphix has testified

1 C. Corr  
2 title on it?  
3 MR. GAUMONT: I'm not testifying.  
4 We can discuss this later.  
5 MR. FRIEDMAN: We will go off the  
6 record.  
7 (Discussion held off the record.)  
8 MR. FRIEDMAN: For the record,  
9 Mr. Gaumont says that he sent us a copy  
10 of a business card from Mr. -- from the  
11 defendant showing that Mr. Tiner did  
12 actually produce a business card with  
13 his status, I have not seen it, I will  
14 take his representation as accurate.  
15 If I am wrong about that, I will  
16 apologize.  
17 MR. GAUMONT: Mr. Friedman meant  
18 Mr. Tyler.  
19 Q. Mr. Tyler.  
20 So it is your testimony, your  
21 opinion, that Xerox should have done what, in  
22 addition to the information they acquired  
23 regarding the status of Mr. Tyler's position  
24 with --  
25 A. What I would advise them to do or

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1 C. Corr  
2 my experience would be that you would  
3 determine the authority that someone has and  
4 that if, indeed, this characterization is  
5 correct, which I would imagine would be, you  
6 know, reinforced by the fact that that is  
7 where he -- I don't know if you have ever been  
8 to the plant.

9 Q. No, I haven't.

10 A. He had a very small office near  
11 the production facility. So it would make  
12 sense that he was responsible for, you know,  
13 the operational issues. It would not make  
14 sense that he would be able to bind or --  
15 bind, you know, separate entities.

16 Q. Would it have been appropriate  
17 for Phoenix Color to have put out a press  
18 release to its -- to the world or sent a  
19 letter out to its customers and vendors that  
20 Mr. Tyler is no longer with Phoenix Color as a  
21 vice president, he is now with TechniGraphix  
22 and in whatever status or capacity he is in,  
23 would that have been appropriate business  
24 practice?

25 MR. GAUMONT: Objection.

1 C. Corr  
2 general, the issuance of press releases is not  
3 so much to have people better understand the  
4 business part of it as it is to position them  
5 within the marketplace.

6 Q. If Mr. Tyler was inappropriately  
7 signing contracts as vice president of Phoenix  
8 Color because, in fact, he didn't have that  
9 status, what checks and balances should have  
10 been in place to have caught that --

11 MR. GAUMONT: Objection.

12 Q. -- error on the part of Phoenix  
13 Color --

14 MR. GAUMONT: Objection.

15 Q. -- and then secondarily, on the

16 part of TechniGraphix?

17 MR. GAUMONT: Objection.

18 A. What would I advise them to do?

19 Q. Yes, what would you have advised  
20 them to do to make sure that appropriate  
21 people were signing contracts?

22 MR. GAUMONT: Objection.

23 A. You would certainly have -- I  
24 mean, an appropriate way, whether they have  
25 this or not, I have no knowledge, that you had

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1 C. Corr  
2 A. My sense he is not senior enough  
3 that he would ever issue a press release  
4 about --  
5 Q. I didn't say him. Wouldn't it  
6 have been appropriate for someone on behalf of  
7 TechniGraphix to have done that, or Phoenix  
8 Color, so that the world would understand his  
9 status?

10 MR. GAUMONT: Objection.

11 A. And discuss the status -- we do  
12 this stuff all the time. It would be very  
13 rare. When I say very rare, I cannot think of  
14 an occasion where you would discuss someone's  
15 position in an organization that would be as  
16 low as this gentleman's position appears to  
17 be.

18 Is it often the case that you  
19 would issue a press release around a merger or  
20 an action on the acquisition of stock?

21 Certainly, it is very common for publicly held  
22 companies to do that. It is less common for  
23 privately held companies to do that.

24 And in my opinion, is that it is  
25 generally related to the marketing impact,

1 C. Corr  
2 your own policies and procedures in place to  
3 both collect and -- I mean, you would have  
4 your own accounting system that would also be  
5 in place, issue purchase orders in addition to  
6 signing agreements.

7 Q. So at some point, there could  
8 have been a system in place which would have  
9 caught the fact that Mr. Tyler was signing  
10 contracts inappropriately as vice president of  
11 Phoenix Color; is that correct?

12 MR. GAUMONT: Objection.

13 Mischaracterization.

14 A. You asked the question could  
15 there have been? Could there have been? Yes.  
16 To my knowledge, I have no knowledge of that.

17 Q. Did you inquire of Phoenix Color  
18 whether they had such systems in place?

19 A. I did not.

20 Q. Have you made any such inquiry as  
21 to whether they had such systems in place?

22 A. Actually, I have.

23 Q. What was the result, the  
24 response?

25 A. I don't have a clear

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30 (Pages 117 to 120)

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Charles Corr  
September 18, 2003

1 C. Corr  
2 understanding of any of their internal  
3 processes as it would relate to that issue.  
4 Q. Why is that?  
5 A. I'm speculating as to why. I  
6 don't know why.  
7 Q. No, I meant why is it you don't  
8 have a clear understanding?  
9 A. I'm speculating as to why I don't  
10 have -- I do not have a clear understanding.  
11 It has not been fully explained to me.  
12 Q. By Phoenix Color?  
13 A. Right.  
14 Q. Did you make the same such  
15 inquiry with regard to TechniGraphix?  
16 A. My inquiry would have included  
17 both parties.  
18 Q. And the answer is the same as to  
19 both Phoenix Color and TechniGraphix?  
20 A. Yes.  
21 Q. That neither one has been able to  
22 explain to you why they didn't have some sort  
23 of procedure and system in place to have  
24 caught up with this problem of Mr. Tyler  
25 signing --

1 C. Corr  
2 MR. GAUMONT: Objection.  
3 A. That's fair.  
4 Q. All right?  
5 A. It is also fair that was more my  
6 inquisitiveness, not that it was necessarily a  
7 key to my being able to evaluate it, it was  
8 just sort of, what's there.  
9 MR. GAUMONT: Is now an okay time  
10 for a short break?  
11 MR. FRIEDMAN: Yes, I'm sorry.  
(Recess taken.)  
13 Q. Looking at Exhibit 1, your first  
14 report, the second page, the last paragraph,  
15 you say:  
16 "It is our belief to a reasonable  
17 degree and professional certainty that  
18 late in 2000 Xerox could have sold this  
19 equipment as used."  
20 A. Yes.  
21 Q. At what price?  
22 A. My belief is that they could have  
23 used it at very close to the price of new  
24 equipment, which, depending upon the  
25 configuration, puts it in the upper, you know,

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1 C. Corr  
2 MR. GAUMONT: Objection.  
3 A. It wasn't related directly to  
4 this. It was related right from the beginning  
5 of what -- in other words, if you think back  
6 to the initial conversation I had with Bob,  
7 part of it was, what do you have, right? What  
8 information do you have? What pieces of paper  
9 do you have, and then subsequently, it is  
10 what -- what was the process.  
11 Q. Then I take it, you haven't  
12 gone -- have you gone back to make further  
13 inquiries regarding this problem --  
14 MR. GAUMONT: Objection.  
15 Q. -- subsequent to your initial  
16 inquiry?  
17 MR. GAUMONT: Objection.  
18 Q. I guess the answer is no because  
19 you can't tell me today, right?  
20 A. I certainly -- it perhaps is  
21 discussed. I don't remember. I don't recall.  
22 Q. You think you may have discussed  
23 it, but sitting here today, your testimony is  
24 that you still don't know why those systems  
25 weren't in place; is that a fair statement?

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4

31 (Pages 121 to 124)

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September 18, 2003

<p>1 C. Corr 2 FURTHER EXAMINATION 3 BY MR. FRIEDMAN: 4 Q. Would your answer to Mr. 5 Gaumont's questions be different if you were 6 looking at a contract that was not a 7 modification and signed by Mr. Tyler in his 8 position as vice president of Phoenix Color? 9 MR. FRIEDMAN: Let me show you a 10 document and let's have that marked as 11 Exhibit 5, please. 12 (Xerox Corporation document 13 entitled "Sale/Maintenance 14 Agreement" marked Corr Exhibit 5 15 for identification, as of this 16 date.) 17 MR. GAUMONT: Well, hold on a 18 second. This is a contract in the name 19 of TechniGraphix. 20 Q. Would your answer be any 21 different after reviewing what's been marked 22 as Exhibit 5? 23 How did Mr. Tyler sign that 24 contract on the bottom? 25 MR. GAUMONT: Objection.</p>	<p>1 C. Corr 2 Q. Would your answer be different, 3 having seen that contract, which is not a 4 modification, does that change your opinion in 5 any way? 6 A. No. 7 MR. GAUMONT: Objection. 8 Q. Why? 9 A. It is still, in my mind, an 10 operational issue within TechniGraphix. 11 Q. Why? 12 A. Because it is on a Docusheeter, 13 not a 6180. 14 Q. Is that a new piece of equipment? 15 A. No, it is an accessory. 16 Q. It is not a modification, does it 17 say modification on that document? 18 A. No. 19 Q. Exhibit 5 doesn't say 20 modification, does it? 21 A. It does not. 22 Q. In fact, it is adding a piece of 23 equipment, a Docusheeter? 24 A. Yes. 25 Q. And, in fact, it is signed by</p>
---	--

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<p>1 C. Corr 2 Compound. Which question do you want 3 him to answer? 4 Q. First, how did he sign it? 5 A. As -- 6 MR. GAUMONT: Well, objection to 7 the characterization. 8 Q. How is it signed, what is the 9 representation? 10 MR. GAUMONT: Objection. You are 11 implying that the representation was 12 made by Mr. Tyler. The undisputed 13 testimony is that -- 14 Q. How did he sign it? 15 A. He signed it, there is his name, 16 there is his signature. 17 Q. Correct. He signed it -- would 18 you agree with me that he signed it under the 19 designation Donald Tyler, Vice President, 20 Phoenix Color? 21 A. Yeah, he clearly signed it, to 22 the best of my knowledge, that's his 23 signature. 24 Q. Right. 25 A. And the other --</p>	<p>1 C. Corr 2 Donald Tyler under the designation vice 3 president, Phoenix Color? 4 A. Yes. 5 Q. And, in fact, do you agree with 6 me that it says at the top under the 7 customer's name, "TechniGraphix, a wholly 8 owned subsidiary of Phoenix Color 9 Corporation"? 10 If you looked at that designation 11 in and of itself, what would that tell you 12 about the status of TechniGraphix? 13 MR. GAUMONT: Objection. It 14 calls for a legal conclusion. 15 Q. In your business experience, 16 would that indicate to you that TechniGraphix 17 was a separate corporation? 18 MR. GAUMONT: Objection. 19 MR. WELLSCHLAGER: It couldn't be 20 clearer. 21 Q. Is there anything in that 22 document that says TechniGraphix is a separate 23 corporation? 24 A. Yes. It says -- 25 Q. Show me. What's it say? Read me</p>
--	--

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35 (Pages 137 to 140)

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Charles Corr  
September 18, 2003

1 C. Corr  
 2 the words that tell you it is a corporation.  
 3 MR. WELLSCHLAGER: How about  
 4 subsidiary?  
 5 A. A wholly owned subsidiary.  
 6 Q. So if the words after the  
 7 designation, after the name say "wholly owned  
 8 subsidiary," it automatically means to you,  
 9 based upon your experience, that it is a  
 10 corporation?  
 11 MR. GAUMONT: Objection.  
 12 Q. "It," meaning TechniGraphix?  
 13 A. I'm going to qualify my answer  
 14 back to you. If you were to present this to  
 15 me --  
 16 Q. Yes?  
 17 A. -- I would immediately conclude  
 18 or be concerned that there was a separate  
 19 corporate entity going on between the two  
 20 pieces, TechniGraphix and Phoenix Color.  
 21 I would be immediately concerned  
 22 about that differentiation because, in many  
 23 cases, people structure themselves to be  
 24 corporately distinct for a variety of reasons,  
 25 and we could argue this, but I would argue in

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1 C. Corr  
 2 decision-maker.  
 3 Q. It is highly unlikely, in your  
 4 sales training, that you would have  
 5 encountered a situation like this; isn't that  
 6 true?  
 7 MR. GAUMONT: Objection.  
 8 Q. And that you would have focused  
 9 your audience on that particular problem?  
 10 MR. GAUMONT: Objection.  
 11 Q. Yes or no?  
 12 A. Well, I'm just trying to qualify  
 13 the particular problem.  
 14 Q. The particular problem being  
 15 understanding what a subsidiary is.  
 16 Do you actually conduct seminars  
 17 with salespeople which focuses on --  
 18 A. No.  
 19 Q. -- what -- the answer is no?  
 20 A. The answer to that question is  
 21 no. We do focus on who you should target.  
 22 Q. Slower, as a general matter, but  
 23 not specifically as to subsidiaries, right?  
 24 Yes or no?  
 25 A. It is a broad question. Not

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1 C. Corr  
 2 most cases, to keep some distance between  
 3 parent companies and subsidiaries, and I would  
 4 be very nervous about the ability to -- to  
 5 bind one to the other and would want to  
 6 understand that.  
 7 Q. That's based upon your  
 8 experience. And I would tell you that I would  
 9 have the same type of inquiry because I'm a  
 10 trained lawyer.  
 11 Would the average layman make  
 12 such an inquiry, have such doubts in their  
 13 mind, in your opinion?  
 14 MR. GAUMONT: Objection.  
 15 Objection. He is not testifying as to  
 16 the average layman.  
 17 Q. Would a salesman have such  
 18 doubts, who is not as trained as you or me?  
 19 MR. GAUMONT: Objection.  
 20 A. Well, in doing sales training, we  
 21 would point out that you want to be very  
 22 careful about and target what we call sea  
 23 level folks within an organization so that you  
 24 overcome some of these things and you are sure  
 25 you are working with the right level of

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1 C. Corr  
 2 specifically the way you have described it,  
 3 but it is something that you would want them  
 4 to be concerned about, which is why you urge  
 5 them to deal with people with the right level  
 6 within an organization.  
 7 Q. Right. But you don't  
 8 specifically deal with that type of a problem  
 9 where it is written in the form of a  
 10 subsidiary of and say to your audience, you  
 11 know, a subsidiary means that you are a  
 12 corporation?  
 13 MR. GAUMONT: Objection.  
 14 Q. Have you ever given a seminar  
 15 like that? Yes or no?  
 16 MR. GAUMONT: Objection. Asked  
 17 and answered.  
 18 A. No.  
 19 Q. Thank you.  
 20 MR. FRIEDMAN: Let's have this  
 21 marked.  
 22 (Handwritten note dated January  
 23 6, 2000 from Donald Tyler to  
 24 Bruce Nussbaum marked Corr  
 25 Exhibit 6 for identification, as

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36 (Pages 141 to 144)

Charles Corr  
September 18, 2003

1 C. Corr  
2 of this date.)  
3 Q. Exhibit 6 is a letter, it is an  
4 original from Donald Tyler to Bruce Nussbaum  
5 written on January 6, 2000.  
6 How did Mr. Tyler sign off on  
7 that letter?  
8 MR. GAUMONT: Objection.  
9 Relevance. This was executed after the  
10 December '99 modifications, but you can  
11 answer.  
12 A. How did he sign it?  
13 Q. Yes.  
14 A. VP operations for TechniGraphix.  
15 Q. Division of Phoenix Color  
16 Corporation?  
17 A. Yes.  
18 MR. GAUMONT: Let me note for the  
19 record was what he signed was Donald  
20 Tyler, VP operations. There is  
21 TechniGraphix stationery that he signed  
22 it on, which indicates division of  
23 Phoenix Color Corp.  
24 Q. If you are getting that letter,  
25 could you conclude that Mr. Tyler is a vice

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1 C. Corr  
2 letter that Mr. Tyler is the vice president of  
3 Phoenix Color Corporation?  
4 MR. GAUMONT: Objection.  
5 A. No, I would read it he is the  
6 vice president of TechniGraphix.  
7 Q. So your testimony is that it  
8 would not be a reasonable inference for a  
9 salesman to draw that?  
10 A. That would be my opinion, yeah.  
11 Q. And that is based upon the fact  
12 that --  
13 A. TechniGraphix --  
14 Q. In your opinion, if you use the  
15 word "a division," it automatically means that  
16 it is a separate corporation?  
17 That's what I want to understand.  
18 MR. GAUMONT: Objection.  
19 A. It would indicate to me he is a  
20 vice president of TechniGraphix, that's  
21 what -- he just signed it, that is the  
22 letterhead.  
23 Q. What is the purpose of putting on  
24 there a division of Phoenix Color Corporation,  
25 what business purpose does that serve --

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1 C. Corr  
2 president of Phoenix Color Corporation?  
3 Is that a possible inference to  
4 draw from that?  
5 MR. GAUMONT: Objection.  
6 Anything is possible.  
7 MR. FRIEDMAN: Yes, it is.  
8 A. It is not an inference I would  
9 necessarily draw from it.  
10 Q. All right. Is it an inference  
11 that a salesperson who is not as trained as  
12 you or I could draw, or would draw?  
13 A. Rephrase. Could draw? I mean,  
14 again, I'm back on anything is possible.  
15 MR. GAUMONT: Yes. Objection.  
16 Q. All right. Would a salesman draw  
17 such an inference from that letter?  
18 MR. GAUMONT: Objection.  
19 MR. WELLSCHLAGER: Sidney, he  
20 can't testify about what a salesman --  
21 ask him if it is a reasonable or fair  
22 inference.  
23 MR. FRIEDMAN: Thank you.  
24 Q. Is it a reasonable or fair  
25 inference for a salesman to draw from that

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1 C. Corr  
2 MR. GAUMONT: Objection.  
3 Q. -- in your opinion?  
4 A. Just, again, why people, you  
5 know, carry -- it is generally my opinion that  
6 those are usually branding issues and if you  
7 think about, for instance, CAP Ventures  
8 acquired a company Info Trends.  
9 Q. Branding issues -- I don't mean  
10 to cut you off, but we are sort of running out  
11 of time -- by that, you mean that they want  
12 the party receiving that information to know  
13 that they are associated with this other  
14 entity.  
15 MR. GAUMONT: Objection.  
16 Q. Is that correct?  
17 A. Generally, that is correct.  
18 Because, as I indicated earlier, generally  
19 driven from a marketing and sales perspective,  
20 not a notification perspective.  
21 Q. Well, what benefit does  
22 TechniGraphix get, in your opinion, out of  
23 utilization of that terminology, a division of  
24 Phoenix Color Corporation? Why not just say  
25 TechniGraphix, Inc?

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Charles Corr  
September 18, 2003

1 C. Corr  
2 MR. GAUMONT: Objection.  
3 Q. As a business practice, what  
4 benefit do they get out of that?  
5 A. Phoenix has a stronger brand.  
6 Q. Does Phoenix -- and would it be  
7 true that they might derive the benefit of  
8 Phoenix's stronger financial statement --  
9 MR. GAUMONT: Objection.  
10 Q. -- for resources?  
11 MR. GAUMONT: Calls for  
12 speculation.  
13 Q. -- for financial resources?  
14 MR. GAUMONT: Objection. Calls  
15 for speculation.  
16 A. Whether that were true or not,  
17 certainly financial stability has something to  
18 do with brand, plus or minus, but beyond that,  
19 I don't know.  
20 MR. FRIEDMAN: I'm going to  
21 conclude and I know you may have some  
22 follow up based on what I just said.  
23 If you don't, fine.  
24 I would like to have these  
25 exhibits photocopied. I would like to

1 C. Corr  
2 MR. GAUMONT: That's a fair  
3 statement, mutually convenient time and  
4 special consideration given to Mr.  
5 Corr's time.  
6 MR. FRIEDMAN: Absolutely. I  
7 will bend my schedule for Mr. Corr.  
8 (Time noted: 12:43 P.M.)

9  
10 Charles M. Corr  
11  
12 Subscribed and sworn to  
13 before me this \_\_\_\_\_ day  
14 of \_\_\_\_\_ 2003.  
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1 C. Corr  
2 take the originals back with me.  
3 Did you have anything else.  
4 MR. GAUMONT: No.  
5 (Recess taken.)  
6 MR. FRIEDMAN: Back on the  
7 record, by agreement of all here today,  
8 we are stopping the deposition at this  
9 point because of Hurricane Isabel,  
10 which is making its way north.  
11 And because of my fear that I'm  
12 not going to be able to get on the 2  
13 o'clock train and everybody has  
14 graciously agreed to allow us to  
15 continue this at a later date, we will  
16 decide whether it will be by telephone,  
17 when, where and so.  
18 Is that a fair statement?  
19 (Transcript continued on next  
20 page)  
21  
22  
23  
24  
25

1  
2 CERTIFICATE  
3 -----  
4 STATE OF NEW YORK )  
5 ) ss:  
6 COUNTY OF NEW YORK )  
7  
8 I, ANNELIESE R. TURSI, a  
9 Registered Professional Reporter and Notary  
10 Public within and for the State of New  
11 York, do hereby certify:  
12  
13 That I reported the proceedings in  
14 the within-entitled matter, and that the  
15 within transcript is a true record of  
16 such proceedings.  
17  
18 I further certify that I am not  
19 related, by blood or marriage, to any of  
20 the parties in this matter and that I am  
21 in no way interested in the outcome of  
22 this matter.  
23  
24 IN WITNESS WHEREOF, I have hereunto  
25 set my hand this 25th day of September,  
2003.  
26  
27 ANNELIESE R. TURSI, RPR  
28  
29  
30

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